

(Draft - Awaiting Formal Approval)

**MINUTES OF THE
HEALTH SYSTEM REFORM TASK FORCE**

Wednesday, September 15, 2010 – 9:00 a.m. – Room 250 State Capitol

Members Present:

Speaker David Clark, House Chair
Sen. Wayne L. Niederhauser, Senate Chair
Sen. Gene Davis
Sen. Peter C. Knudson
Rep. Jackie Biskupski
Rep. Bradley M. Daw
Rep. Bradley G. Last
Rep. David Litvack
Rep. Ronda Rudd Menlove
Rep. Merlynn T. Newbold

Members Absent:

Sen. D. Chris Butters

Staff Present:

Mr. Mark D. Andrews, Policy Analyst
Ms. Catherine J. Dupont, Associate General Counsel
Ms. Wendy Bangerter, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Task Force Business

Chair Niederhauser called the meeting to order at 9:16 a.m.

MOTION: Rep. Daw moved to approve the minutes of the August 18, 2010 meeting. The motion passed unanimously. Sen. Davis, Rep. Last, Rep. Litvack, Rep. Menlove, and Rep. Newbold were absent for the vote.

2. Reducing Health Care Costs by Reducing Prescription Drug Misuse and Abuse

Dr. Jay T. Bishoff, MD, Director, Intermountain Urological Institute, gave a slide presentation to educate the Task Force on the issue of Utah's contribution to the illicit use of prescription drugs, noting that Utah leads the nation in prescription drug deaths. He explained that he did a study to discover what happens to narcotics given to the Institute's post-surgery patients and how many unused narcotic tablets are readily available in the homes of those patients. He reported that some doctors at the institute began prescribing fewer tablets per procedure as a result of the study. He emphasized the need to educate people regarding how they use and discard unused narcotics and to educate physicians about issuing only the minimum amount needed.

Ms. Michelle McOmber, Utah Medical Association, responded to questions from the Task Force and reported the association's efforts to educate the public. She reported that the association is seeking grants and other avenues for funding to continue the education campaign. She said the association is also looking at linking the Division of Occupational and Professional Licensing's controlled substance database with the electronic exchange of clinical health information.

3. Utah Health Exchange — Rollout to All Small Employer Groups

Mr. Matt Spencer, Office of Consumer Health Services, Governor's Office of Economic Development, said that 129 small employers, representing 1300 employees, have registered with the Utah Health Exchange and that employers enrolling after September 15 will be eligible for coverage effective February 1. He indicated that small employers will have to register 90 days before each monthly coverage period begins.

Mr. Dave Jackson, Utah Defined Contribution Risk Adjuster Board, reported that the Utah Health Exchange is more functional and user-friendly this year than last and that it has more acceptance among brokers. He said that the Risk Adjuster Board, at its next meeting, will consider whether to allow small employers with a January 2010 renewal date to enroll for coverage effective February 2010 and retain their renewal factor.

Mr. Spencer and Ms. Sue Watson, Office of Consumer Health Services, Governor's Office of Economic Development, explained that there are 116 plan variations in the Exchange.

Ms. Tanji Northrup, Division Director, Utah Insurance Department, said that the department is seeing insurance plan filings with up to 16 percent rate increases due solely to benefit changes required under the federal Affordable Health Care Act effective September 23.

Ms. Judy Hillman, Utah Health Project, said that she will send the Task Force information from the Utah Health Policy Project on cost containment under the Affordable Health Care Act. She suggested that Utah is not thinking systematically about reform, and that the way to bend the cost curve is through coverage, not around it.

4. Executive Branch Coordination of Response to Federal Health Care Reform

Mr. Spencer said that the Governor's Office of Economic Development (GOED) has been charged with coordinating reform efforts across the state and that he will be prepared to share the results of those efforts next month.

5. Report on Federal Grants for Health Care Reform

Mr. Brandon Bowen, Grant Coordinator, Office of Consumer Health Services, GOED, reported that the state is planning to use the federal \$1 million exchange planning grant, for which it has applied, to conduct insurance market analyses, to conduct an adverse selection study, to design a customer service and triage function on the Exchange's website, to design tools for the integration of public programs, and to fund work involving the Utah Department of Health's (UDOH) All Payer Database.

6. Federal Rulemaking — Report on Request for Input Regarding Health Exchanges

Dr. Norman Thurston, Health System Reform Policies and Issues Coordinator, UDOH, explained that the United States Department of Health and Human Services (HHS) has requested input on the implementation of health exchanges before HHS drafts regulations. He said he is attempting to partner with governor's offices in other states to craft a response that will give the response a greater voice. He said the document will be structured to highlight Utah's model, including what things will be difficult for Utah or any state to implement, what issues will help, and what things are unique to Utah. He said the input is due to the federal government by October 4, 2010.

Speaker Clark said that Utah is trying to reach out to House Speakers and Senate Presidents around the country and it is discovering that issues important to Utah are also important to many other states.

Sen. Davis indicated that the guiding principles of reform should be a commitment to quality and access of health care at an affordable price for all citizens and how to reach that goal.

Ms. Dupont stated that upon seeing the request for input from the federal HHS, she forwarded it to both parties of the House and Senate leadership. She said that Dr. Thurston's document is the state's response to that request and is not a document prepared by the Office of Legislative Research and General Counsel. It includes those issues that would be difficult for Utah, or any state, to implement.

7. Utah Health Exchange — Pilot Program for Large Employer Groups

Mr. Spencer indicated that the pilot program for enrolling large employer groups in the Exchange is on track and that ten employers representing fifty-one to several thousand employees are interested. He said that large employers will come into the Exchange on their insurance plan renewal dates.

Mr. Jackson indicated that six plans from each of four carriers participating in the Exchange will be available to large employers and that the number of plans has been limited in order to control the pilot project and protect carriers from adverse selection. He indicated that he expects the availability of plans to increase after the pilot project. Mr. Jackson explained how rating will be handled for employers with 51 to 99 employees and employers with 100 or more employees. He indicated that the pilot project is now about two weeks behind schedule rather than three to four weeks.

8. All Payer Database — Review of New Reports

Dr. Keely Cofrin Allen, Director, Office of Healthcare Statistics, UDOH, presented the results of the All Payer Database study on antidepressants released earlier in the day. She listed other reports that will be released within the next couple of months. She indicated that her office will be working after September 15, 2010, on an algorithm for blended obstetric payments to be used by *HealthInsight* in one of its demonstration projects. Ms. Allen answered questions of task force members and invited them to attend the National Association of Health Data Organizations' annual conference in October. The conference will be held in Salt Lake City.

Mr. Mark Gaskill, Office of Healthcare Statistics, UDOH, discussed disease progression and how the need for antidepressants increases as a disease progresses. He noted that UDOH is working to release meaningful data to the policymakers.

9. Other Business

There was no further business to discuss.

10. Adjourn

MOTION: Sen. Knudson moved to adjourn the meeting. The motion passed unanimously. Rep. Daw was absent for the vote.